

AMENDED IN SENATE FEBRUARY 7, 2002

AMENDED IN ASSEMBLY MAY 10, 2001

AMENDED IN ASSEMBLY APRIL 25, 2001

AMENDED IN ASSEMBLY APRIL 19, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1350**

**Introduced by Assembly Member Canciamilla**  
**~~(Coauthors: Assembly Members Cogdill and Pescetti)~~**

February 23, 2001

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An act ~~relating to energy~~ *to add Section 625.1 to the Public Utilities Code, relating to gas corporations*, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1350, as amended, Canciamilla. ~~Natural gas: producers~~ *Gas corporations: condemnation.*

(1) ~~The California Gas Policy Act requires the Public Utilities Commission, among other things, to encourage as a first priority the increased production of gas in this state, as specified. The act also makes it the policy of the state that natural gas produced in this state is not placed at an unfair economic disadvantage relative to gas from sources outside of the state as the result of any transportation tariffs or conditions of service.~~

~~This bill would state legislative findings and declarations regarding the need for increased natural gas production in California. Existing law prohibits a public utility that offers competitive services, other than a~~

*railroad corporation, a refined petroleum product common carrier pipeline corporation, or a water corporation, or an electrical company or gas corporation that needs to meet its commission-ordered obligation to serve, from condemning any property for the purpose of competing with another entity in the offering of those competitive services, unless the Public Utilities Commission finds that such an action would serve the public interest.*

*This bill would provide that, notwithstanding the above prohibition, a gas corporation public utility may exercise the power of eminent domain to condemn any property for the purpose of competing with another entity in the offering of natural gas and services related to natural gas, but only to as to such property for which the gas corporation public utility has filed a complaint in eminent domain in superior court on or before December 31, 2002. The bill would also provide that it shall become inoperative on December 31, 2002, and, as of June 1, 2003, is repealed.*

(2) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     ~~SECTION 1. The Legislature finds and declares all of the~~  
2     SECTION 1.   Section 625.1 is added to the Public Utilities  
3     Code, to read:  
4     625.1. (a) Notwithstanding Section 625, a gas corporation  
5     public utility may exercise the power of eminent domain,  
6     including, but not limited to, any authority provided by Title 7  
7     (commencing with Section 1230.010) of Part 3 of the Code of Civil  
8     Procedure, to condemn any property for the purpose of competing  
9     with another entity in the offering of natural gas and services  
10    related to natural gas, but only as to such property for which the  
11    gas corporation public utility has filed a complaint in eminent  
12    domain in superior court on or before December 31, 2002.  
13    (b) This section shall become inoperative on December 31,  
14    2002, and, as of June 1, 2003, is repealed, unless a later enacted  
15    statute that is enacted before December 31, 2002, provides to the  
16    contrary.  
17    ~~following:~~



1 ~~(a) California is one of the largest producers of oil and natural~~  
2 ~~gas in the nation.~~

3 ~~(b) Natural gas is a critical commodity necessary to electrical~~  
4 ~~production, residential heating, commodity production, and~~  
5 ~~industrial manufacturing.~~

6 ~~(c) California has historically produced up to 25 percent of its~~  
7 ~~total natural gas needs.~~

8 ~~(d) It is in the long-term economic interest of the state to~~  
9 ~~encourage and increase the amount of natural gas produced in~~  
10 ~~California.~~

11 ~~(e) A process should be established governing the timely~~  
12 ~~connection in California of new standard wells, including those~~  
13 ~~proposed for connection through an existing meter, and~~  
14 ~~nonstandard wells to increase in-state natural gas production.~~

15 ~~(f) The Public Utilities Commission's dispute resolution~~  
16 ~~process should be utilized to resolve any disputes resulting from~~  
17 ~~the implementation of the process governing timely connection of~~  
18 ~~natural gas wells.~~

19 SEC. 2. This act is an urgency statute necessary for the  
20 immediate preservation of the public peace, health, or safety  
21 within the meaning of Article IV of the Constitution and shall go  
22 into immediate effect. The facts constituting the necessity are:

23 ~~In order to ensure, at the earliest possible time, the sufficient~~  
24 ~~availability of affordable natural gas necessary for electrical~~  
25 ~~production, residential heating, commodity production, and~~  
26 ~~industrial manufacturing, it is necessary for this act to take effect~~  
27 ~~immediately.~~

28 *In order to immediately authorize the necessary condemnation*  
29 *of property by a gas corporation public utility for the purpose of*  
30 *competing with another entity offering natural gas and services*  
31 *related to natural gas prohibited by existing law, it is necessary*  
32 *that this act take effect immediately.*